Decleration of Growth rate of exports during the current Financial Year

929. DR. MANMOHAN SINGH: Will the Minister of COMMERCE be pleased to state:

(a) whether the growth of exports during the current financial year has decelerated;

(b) if so, the reasons for this deceleration; and

(c) the steps being contemplated by the Government to reverse this trend?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA Dollar turns during April-September ot the curranti financial year has been 9.9% over the corresponding period in 95-96 compared to overall annual growth of 18.4% in 94-95 and 21.0% in 95-96.

(b) The principal reasons for deceleration are as under:—

(i) Deceleration in the rate of global export growth in the current year from 8% in 1995 to 5.5% in 1996 as reported by WTO;

(ii) Decline in overall imports of clothing, footwear and leather accessories by leading countries such as USA, EU and Japan due to drawing down of inventories and some noticeable shift in the pattern of consumer preference and spending;

(iii) Sharp reduction in the permitted export ceilings for rice and wheat in view of tighter supply conditions in the indigenous market;

(iv) Fall in unit prices of both rough as well as cut and polished diamonds due to relative over-supply of roughs;

(v) High cost of export packing credit, both preshipment and post-shipment;

(vi) Slowing down of activity in certain sectors including consumer electronics and certain durable consumer goods resulting in lower degree of overall price competitiveness in exports;

(vii) Infrastructurel inadequacies; and

(viii) Avoidable delays and high transactional cost at the time of securing export/import related clearance from various regulatory authorities.

(c) Steps being contemplated/being taken by the Government to reverse this trend including the following:—

(ii) Increasing the normative target for export related credit from 10% to 12% of the total credit advances by scheduled banks.

(ii) Broadening ECGC support for encouraging exports to new markets;

(iii) Achieving better Inter-Ministerial Coordination with particular reference to streamlining of excise and customs procedures relating to foreign trade transactions;

(iv) Encouraging diversification to new export markets by giving accelerated weightage for purposes of Export House/Trading House recognition in respect of exports destined for new markets;

(v) Encouraging States to support the national export effort through schemes such as Export Promotion Industrial Parks and Crucial Infrastructure Balancing.

(vi) Besides the above, Government's view is that export promotion is a continuous process and steps are initiated by the Government to promote exports through simplification of policies and procedures, improving bilateral trade relations, debottlenecking of export infrastructure etc. Government also has consultations with the trade and industry, ana* the Parliamentary Committees for suggestions for initiation of appropriate measures.

Import of Gold under Special Import Licence by MMTC

930. SHRI SANJAY DALMIA: Will the Minister of COMMERCE be pleased to state:

(a) the total quantity of gold imported by MMTC under the special import licence during each of the last three years;